



## III LUANDA FINANCING SUMMIT FOR AFRICA'S INFRASTRUCTURE DEVELOPMENT

### Project Prospectus – Songwe Rural Water Supply and Sanitation Project for Climate Change Adaptation and Resilient Water Management Project

#### Project Summary

<b>Project Name</b>	Songwe Rural Water Supply and Sanitation Project for Climate Change Adaptation and Resilient Water Management
<b>Location</b>	Songwe River Basin (Multinational: United Republic of Tanzania and the Republic of Malawi)
<b>Sector</b>	Natural Resources Management
<b>Sub-Sector</b>	Agriculture, Water Resources, Sanitation and Ecosystems
<b>Development Stage</b>	Concept Note
<b>Project Sponsor</b>	Joint Songwe River Basin Commission (SONGWECOM)
<b>Project Cost</b>	USD19,500,000
<b>Funding Requirement</b>	USD19,500,000
<b>Project Preparation total cost</b>	USD 500,000
<b>Project Preparation funding gap</b>	USD 400,000
<b>Financing Structure</b>	The total project cost is estimated at USD 19,500,000, with USD 17,550,000 to be financed through a grant from financiers. In-kind counterpart funding from SONGWECOM and Partner is estimated at USD 1,950,000, representing about 10% of the project cost.
<b>Development Timeline</b>	5 Years (2026 – 2031)
<b>Project Description</b>	The project is part of the Songwe River Basin Development Programme (SRBDP), implemented by the Joint Songwe River Basin Commission (SONGWECOM) on behalf of the Governments of the Republic of Malawi and the United Republic of Tanzania. The primary objective of this project is to enhance climate-resilient water supply and sanitation infrastructure in the Songwe River Basin, benefiting rural communities in the riparian countries. It aims to (i) enhance Institutional Capacity and Governance for climate-resilient Water management; (ii) Improve access to climate-resilient Water Supply and Sanitation Infrastructure; (iii) Strengthen Community Resilience through Sanitation, Environmental Conservation, and Economic Empowerment.

<b>Strategic Importance</b>	<p>The project is part of the 10 Year Songwe River Basin Development Programme (2015 – 2025) and supports SONGWECOM's Strategic Action Plan 2035 objective of promoting Climate-smart water technologies and practices.</p> <p>The project supports (i) the United Republic of Tanzania National Climate Change Response Strategy (2021-2026); National Climate Change Strategy (2012); and the Environmental Management Act Cap 191 (EMA, 2004). (ii) the Republic of Malawi's National Climate Change Management Policy, 2016, and the Malawi State of Environment and Outlook Report 2010.</p> <p>The project is also in line with Malawi NDC objective 3, to Plan and implement adaptation actions toward an increased resilience of the most vulnerable Malawians, and Tanzania NDC measures for Water, Sanitation and Hygiene.</p> <p>The project will further contribute to the institutional and technical strengthening of SONGWECOM and its member states on all water governance activities. The project will also involve implementing activities that will enable the basin's population, particularly women and youths, to implement income-generating activities that aim at water conservation and protection.</p>
<b>Market Demand</b>	N/A
<b>Total Project Cost</b>	USD 19,500,000
<b>Capital Structure</b>	N/A
<b>Financial Metrics</b>	N/A
<b>Revenue Model</b>	For water supply and sanitation projects, benefits are usually considered to be social rather than economic. The financial and economic analysis will be conducted during the preparation and design phase of the project to establish the modalities for revenue collection to ensure project sustainability.
<b>Social Impact</b>	<p>The project will actively promote the involvement of local stakeholders, including community groups, civil society organizations, and women's and youth associations, to foster an inclusive and participatory approach across the basin. Aiming to directly benefit a population of over 266,932 people and over 500,000 people living in the surrounding areas of the basin, the project will also provide an opportunity to improve community health through improved water supply and sanitation facilities and promote community livelihood.</p> <p>It contributes to meeting both practical needs and strategic interests of women by increasing their income, skills, and representation in decision-making spheres.</p>
<b>Environmental Impact</b>	Component 3: Community Sanitation, Environmental Conservation, and Economic Resilience activities will enhance community understanding on catchment conservation and integrated water resources management for a water secure basin.
<b>SDG and Agenda 2063 Alignment</b>	<p>The project supports Agenda 2063's goal of Environmentally sustainable and <u>climate-resilient</u> economies and communities, and the priority area of water security.</p> <p><u>The project aligns with:</u></p> <ul style="list-style-type: none"> <li>- SDG6: Ensure availability and sustainable management of water and sanitation for all.</li> <li>- SDG13: Take urgent action to combat climate change and its impacts.</li> <li>- SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</li> </ul>

	- SDG17: Partnership for the goals.
<b>Technology &amp; Design</b>	<p>The project focuses on utilising climate-resilient water supply and hygiene technologies, which include rainwater harvesting, providing more storage (tanks), and drilling boreholes to reduce pressure from depending on surface water sources. The project will also introduce technology to manage sanitation safely through more frequent pit emptying and the safe disposal of faecal waste, to mitigate the risk of water supplies becoming contaminated during floods.</p> <p>The project will conduct hazard and risk assessment and vulnerability assessment to have in place adaptation response to climate change impacts in the installed WASH systems and facilities. The project will also enhance knowledge on water resources and ecosystems and improve governance for better resource management.</p>
<b>Capacity/Size</b>	A multinational project that will intervene at a transboundary level in the Republic of Malawi and the United Republic of Tanzania.
<b>Construction/Preparation Timeline</b>	Project execution is scheduled to take place within 5 years of the date the agreement is signed.
<b>Offtake Agreements</b>	<p>A Joint Ministerial Declaration to finance the Songwe River Basin Development Programme (SRBDP) was signed in December 2016 in Mbeya, Tanzania. A memorandum of Understanding (MoU) on the implementation of Phase III of the SRBDP, and the projects therein, was signed between the Republic of Malawi and the United Republic of Tanzania on 18<sup>th</sup> May 2017 in Lilongwe, Malawi.</p> <p>Furthermore, a Convention on the establishment of the Joint Songwe River Basin Commission was signed between the Republic of Malawi and the United Republic of Malawi in 2017 and came into force in July 2018.</p>
<b>Risk Assessment</b>	<p>Potential risks and mitigation strategies include:</p> <ol style="list-style-type: none"> <li>1. Land acquisition challenges → Addressed through community engagement and transparent land-use agreements.</li> <li>2. Infrastructure theft and vandalism → Strengthened security measures and local ownership initiatives.</li> <li>3. Climate-related disasters (flooding &amp; droughts) → Integrated flood control and drought resilience measures.</li> <li>4. Governance and institutional coordination risks → Strengthened multi-stakeholder governance mechanisms.</li> </ol>
<b>Regulatory Risks</b>	<p>SONGWECOM's institutional capacity to manage a complex programme and insufficient regional cooperation for effective shared resource management. The risk is low given that some capacity-building activities had been provided through previous development partners' projects. Furthermore, riparian states' support is always available.</p>
<b>Environmental and Social Safeguards</b>	<p>Providing/improving access to clean and safe domestic water supply and sanitation facilities is generally considered to create significant social and health benefits for the concerned population.</p> <p>Implementation of the project is unlikely to have significant adverse social or environmental impacts. Some adverse impacts could be expected due to land acquisition and during the construction phase. However, the required lands and construction works will be of a relatively small scale.</p> <p>During the implementation of the Strengthening Transboundary Cooperation and Integrated Natural Resources Management in the Songwe River Basin Project, which also supported water supply and sanitation interventions, SONGWECOM prepared Environment and Social Safeguard Instruments, including Environment and Social Management Plans (ESMP) and Grievance Redress Mechanisms (GRM), to be implemented for all projects/interventions implemented within the basin.</p>

	The project also includes activities focused on catchment conservation and watershed protection, such as reforestation, erosion control, and sustainable land-use practices. Water conservation measures, including rainwater harvesting and sustainable groundwater management, will be implemented by the project to reduce water abstraction for surface water sources.
<b>Sponsors</b>	Joint Songwe River Basin Commission (SONGWECOM), Member States (Republic of Malawi and the United Republic of Tanzania), Southern African Development Community (SADC) Water Fund
<b>Investors</b>	Other_SONGWECOM_Partners
<b>Contractors &amp; Operators</b>	International and local contractors and consulting firms for service delivery, the Joint Songwe River Basin Commission as executing agency, and the Project Implementing Unit (PMU).
<b>Legal and Financial Advisors</b>	N/A
<b>Investment Ask</b>	USD 17,550,000
<b>Next Steps</b>	<ul style="list-style-type: none"> <li>- Mobilise funds</li> <li>- Preparation of the project proposal</li> </ul>
<b>Contact Information</b>	Executive Secretary Joint Songwe River Basin Commission P. O. Box 300, Kyela, Tanzania <a href="mailto:secretariat@songwecom.org">secretariat@songwecom.org</a>

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